

WASHINGTON STATE COMMUNITY, TRADE AND ECONOMIC DEVELOPMENT

INVESTING IN WASHINGTON'S ECONOMIC FUTURE

Volume 5, Issue 1 JANUARY 2003

At the January 16, 2003 meeting, CERB approved state loan and grant investments of economic development infrastructure for the Port of Sunnyside, the City of Prosser and the City of Richland totaling \$1,847,049. The new businesses in Benton and Yakima counties associated with these projects are expected to create 171 new jobs and retain 190 existing jobs.

CITY OF RICHLAND:

The City of Richland in Benton County received conditional approval for a \$780,000 loan and \$183,000 grant to construct a 2,500 foot extension of Battelle Boulevard, traffic signal improvements, and a 1,600 foot extension of a city-owned rail spur. These improvements will allow for the development and sale of a 75-acre site to Ferguson Enterprises, Inc., one of the nation's largest suppliers of plastic pipe products to construction and manufacturing companies. Ferguson will construct a 350,000 square foot warehouse and distribution facility and estimates 90 full-time jobs will be created. Ferguson has 700 locations nationally; the Richland facility will serve Northern California, Oregon, Idaho, Utah, Montana, and Washington.

CITY OF PROSSER:

The City of Prosser in Benton County received conditional approval for a \$384,049 loan to construct water, sewer, and roadway improvements that will provide service to the Port of Benton's North Prosser Business Park to site a 245,280 sq. ft. bonded wine warehouse, owned by the Stravinski Development Group. The bonded wine warehouse will be the first such development of its kind in eastern Washington and will serve wineries on a regional basis. Eastern Washington wineries will benefit from the warehouse by reducing transportation costs, deferring taxation until the product actually leaves the warehouse, and freeing up valuable inventory space in winery operations. The Stravinski Development Group estimates 20 full-time jobs will be created.

PORT OF SUNNYSIDE:

The Port of Sunnyside in Yakima County received conditional approval for a \$500,000 loan to construct a Sequencing Batch Reactor facility for the port's industrial wastewater treatment plant. The SBR will perform aeration and sedimentation processes at a faster pace than the current system, which will put the Port back in compliance with its Department of Ecology permit. The SBR pre-treats the wastewater, ensuring that what is delivered to the wastewater lagoons contains less nitrate, chloride and total dissolved solids. Seventeen different companies depend on the SBR to retain business operations totaling nearly 800 at risk jobs. Two of the businesses will expand immediately upon completion of the SBR facility. Johnson Foods will expand its food processing operation to run 12 months a year in response to new customer demand. The expansion will create an estimated 49 new full-time jobs. Darigold WestFarm Foods will build and operate a new cheese shredding operation that will create 12 new full-time jobs. Improvements to the SBR facility, which will allow Johnson Foods and Darigold WestFarm Foods to continue operations, will retain 115 and 75 full-time jobs respectively (which are included within the 800 retained jobs noted above).

CERB BOARD MEMBERS AND STAFF JANUARY, 2003

GOVERNOR APPOINTED

Judith Boekholder, Board Chair

Toppenish, Washington City Official

LeRoy Allison

Warden, Washington County Official

Vicki Gordon

Pasco, Washington Small Business Representative

Vacant

Small Business Representative

Jack Pittis

Port Angeles, Washington Public Representative

Joe Pinzone

Camas, Washington Large Business Representative

Terry Knapton

Airway Heights, Washington Large Business Representative

Jeffrey Matson, Vice Chair

Sunnyside, Washington Port Official

Tom Trulove

Cheney, Washington Public Sector Economist

Leroy Williams

Bremerton, Washington Small Business Representative

Miland Walling

Bickleton, Washington Small Business Representative

Public Representatives

Senator Betti Sheldon

Joint Legislative Committee on Economic Development

Senator Tim Sheldon

Senate Economic Development Committee

Representative Dan Newhouse

House Trade & Economic Development Committee

Representative Velma Veloria

House Trade & Economic Development Committee

AGENCY REPRESENTATIVES

Elizabeth Robbins

Department of Transportation

Gary Kamimura

Employment Security Department

Robin Pollard

Community Trade and Economic Development

Skeets Johnson

Department of Revenue

CERB/CEAC

Kate Rothschild

CERB Program Manager

April Wilson

CERB Program Assistant

Tina Cohen

Special Projects Manager

Dara Fredericksen, Managing Dir.

Community Economic Assistance Center

PROJECT DEV. SERVICES

Dick Larman, Managing Director

Project Development Services

Brent Bahrenburg

Project Development

Terry Lawhead

Project Development

Bob Sandoval

Project Development

2003 LEGISLATIVE SESSION:

Executive request legislation (HB 1032 and SB 5363) proposes to add an estimated \$900,000 per year to the Community Economic Revitalization Board's financial assistance programs by allowing CERB to retain interest earnings from the Public Works Assistance Account beginning July 1, 2005.

Since 1982, CERB has provided funding for publicly owned economic development infrastructure to encourage new industrial development and expansion in areas where growth is desired. Despite the program's effectiveness, it has never had a stable, permanent funding source.

Legislation passed in 2002 began to address this issue by: 1) transferring to CERB over a 5-year period (FY 2003 through FY 2007) \$18.9 million in loan repayments from Public Works Trust Fund Timber and Natural Resources projects; and 2) allowing CERB to retain interest earnings on its Public Facilities Construction Loan Revolving Account beginning July 1, 2004 (approximately \$200,000/year). Once the five-year transfer of loan payments is complete, CERB funding once again drops dramatically.

UPCOMING EVENTS:

March 20, 2003 - Board Mtg.

Investing in Washington's

Economic Future

May 15, 2003 - Board Mtg.

CERB is a state economic development resource strategically focused to help business and industry create and retain jobs in partnership with local communities.

CERB provides financing for construction of public facilities that support private sector development and increased employment opportunities.

Management support is provided by Community, Trade & Economic Development, Washington's lead agency charged with enhancing and promoting sustainable economic vitality throughout the state.

Communities with potential projects are encouraged to contact CERB staff at 360.725.4058 or by e-mail to: KateR@cted.wa.gov